

1 **BEFORE THE FEDERAL ELECTION COMMISSION**

2
3 In the Matter of)

4) MUR 6465

5 Gary Husk)

6 John H. Junker)

7 Natalie Wisneski)

8
9 **SECOND GENERAL COUNSEL'S REPORT**

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11 **I. ACTIONS RECOMMENDED**

12 Find reason to believe that Gary Husk knowingly and willfully violated 2 U.S.C. § 441f;
13
14 enter into pre-probable cause conciliation with John H. Junker, Natalie Wisneski, and Gary
15 Husk;

16 **II. BACKGROUND**

17 The Commission previously found reason to believe that The Arizona Sports Foundation,
18 dba The Fiesta Bowl ("Fiesta Bowl"), a non-profit corporation organized under section 501(c)(3)
19 of the Internal Revenue Code, knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f by
20 making corporate contributions in the names of others.¹ The Commission also found reason to
21 believe that former Fiesta Bowl President and CEO John Junker and former COO Natalie
22 Wisneski each knowingly and willfully violated 2 U.S.C. §§ 441b(a) and 441f by consenting to
23 the use of corporate funds to make contributions in the names of others, by assisting in making
24 contributions in the names of others, and by allowing their names to be used to effect such
25 contributions. See Factual and Legal Analyses, MUR 6465 ("F&LAs"). The Commission
26 notified former Fiesta Bowl lobbyist and consultant Gary Husk of the Complaint and his
27 potential liability because, although the Complaint did not specifically identify Husk, the
28 available information suggested he may have played a central role in the Fiesta Bowl's

¹ The Commission accepted a signed conciliation agreement with the Fiesta Bowl on June 22, 2012.

1 reimbursement scheme. *See* Letter from Jeff S. Jordan, Supervisory Attorney, FEC (Dec. 5,
2 2011).

3 The Commission based its reason to believe findings primarily on a 276-page
4 investigative report attached to the Complaint that was made public by the Fiesta Bowl in March
5 2011. That Fiesta Bowl report contained a detailed account of how Fiesta Bowl employees made
6 a total of \$30,400 in federal contributions between 2001 and 2009 that were reimbursed using
7 corporate funds. *See* Final Report of Counsel to the Special Committee of the Board of Directors
8 of the Fiesta Bowl,

9 http://www.fiestabowl.org/documents/reports/Fiesta_Bowl_Final_Public.pdf ("Final Report").

10 According to the Final Report, Husk assisted in soliciting and collecting contributions from
11 Fiesta Bowl employees that were typically reimbursed, at Junker's direction, through payments
12 disguised as "bonuses." Final Report at 35-37. Wisneski generally signed and delivered the
13 reimbursement checks to the contributors, and the Final Report included copies of checks and
14 spreadsheets on which the word "Bonus" was handwritten in the memo space. *Id.* at 41, 57, 61,
15 62, 144.

16 Shortly before the Commission made its initial findings, Wisneski was indicted in federal
17 district court in Arizona on charges relating, in part, to the contribution reimbursements at issue.
18 After the Commission notified Wisneski and Junker of its findings, they each entered guilty
19 pleas. We were then able to obtain various court documents that support the Commission's
20 earlier findings against Junker and Wisneski, and that lend further support to our current
21

1 recommendations as to Husk Criminal Information, *United States v. John Junker*, Crim. No.
2 12-00511 (D. Ariz. filed Mar. 13, 2012) (attached as Attach. 1); Plea Agreement, *United States v.*
3 *John Junker*, Crim. No. 12-00511 (D. Ariz. filed Mar. 13, 2012) (attached as Attach. 2); Plea
4 Agreement, *United States v. Natalie Wisneski*, Crim. No. 11-02216 (D. Ariz. filed Mar. 15,
5 2012) (attached as Attach. 3).

6 Based on all the information we have gathered to date, we recommend that the
7 Commission find reason to believe that Husk knowingly and willfully violated 2 U.S.C. § 441f.
8 Additionally, we recommend that the Commission enter into pre-probable cause conciliation
9 with Junker, Wisneski, and Husk.

10 III. FACTUAL AND LEGAL ANALYSIS FOR GARY HUSK

11 As discussed in the First General Counsel's Report ("FGCR") submitted previously in
12 this matter, Husk appears to have been a driving force behind the Fiesta Bowl's campaign
13 contributions. He played a core role in the Fiesta Bowl's flawed initial investigation (referred to
14 as the "First Investigation" in the FGCR) that found no "credible" evidence that any
15 contributions were reimbursed. See FGCR at 19-20. According to the Final Report, Husk
16 assisted in soliciting and collecting contributions from Fiesta Bowl employees, and the
17 information suggests he was aware that the reimbursement activity was unlawful and attempted
18 to cover up the scheme by manipulating the First Investigation. Final Report at 35-37.

19 In response to the Complaint, Husk provided background on his role at the Fiesta Bowl
20 and generally denies knowledge of or involvement in any reimbursement scheme. As discussed
21 below, we do not find his denials credible. Husk states that the Fiesta Bowl first retained his

1 lobbying firm in approximately 2001, and that he served as "lead consultant assigned to the
2 Fiesta Bowl." Husk Resp. at 3. When the Fiesta Bowl management and Board of Directors
3 expressed an interest in becoming more politically active, Husk explained to unnamed
4 "representatives" of the Fiesta Bowl that any political involvement could only occur with
5 individuals "since corporate political activities were prohibited" *Id.* Husk acknowledges
6 forwarding contribution solicitations from the campaigns of various federal candidates to clients
7 that included the Fiesta Bowl, but claims he sent the requests "exclusively" to Junker and never
8 directly solicited contributions from anyone else affiliated with the Fiesta Bowl. *Id.* at 3-6.

9 Husk claims that he "had absolutely no knowledge that the Fiesta Bowl was engaged in
10 the practice of reimbursing individuals for their political contributions." *Id.* at 7. He adds that,
11 "[l]ike the Board of Directors, [he] had no knowledge that persons affiliated with the Fiesta Bowl
12 had made false statements, concealed or misrepresented this information for more than a
13 decade." *Id.* at 7-8. In raising questions about the credibility of Fiesta Bowl employees, Husk
14 singles out Wisneski by name, claiming that she falsely alleged that he authorized the
15 reimbursement scheme. As noted in the Final Report, Wisneski claimed that when she sought
16 Husk's advice as to whether she could use bonuses to reimburse others for their campaign
17 contributions, he replied, "Yeah, it's done all the time." Final Report at 49. Husk denies that he
18 ever made such a statement, and asserts that he "routinely advised clients" against reimbursing
19 contributions. Husk Resp. at 8. Husk also notes that Wisneski asserts that the conversation
20 occurred around 2005, which would be "completely illogical" given that the Final Report
21 indicated that the scheme began five years earlier. *Id.* at 9. Focusing on Wisneski's recent
22 criminal indictment, Husk states that she has "a history of dishonesty that has completely
23 destroyed her credibility." *Id.* at 10.

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1 The Federal Election Campaign Act of 1971, as amended, (the "Act") provides that no
2 person shall make a contribution in the name of another person or knowingly permit his or her
3 name to be used to effect such a contribution. 2 U.S.C. § 441f. In addition, "no person shall . . .
4 knowingly help or assist any person in making a contribution in the name of another." 11 C.F.R.
5 § 110.4(b)(1)(iii). "[K]nowingly helping or assisting" applies to "those who initiate or instigate
6 or have some significant participation in a plan or scheme to make a contribution in the name of
7 another" Explanation and Justification for 11 C.F.R. § 110.4, 54 Fed. Reg. 34,105 (1989).

8 The Act prescribes additional penalties for violations that are knowing and willful. See
9 2 U.S.C. § 437g(a)(5)(B), (6)(C). The knowing and willful standard requires knowledge that one
10 is violating the law. *FEC v. Dames & Moore for Cong. Comm.*, 640 F. Supp. 985, 987 (D. N.J. 1986). A
11 knowing and willful violation may be established "by proof that the defendant acted deliberately
12 and with knowledge that the representation was false." *United States v. Hopkins*, 916 F.2d 207,
13 214 (5th Cir. 1990). Evidence does not have to show that the defendant had specific knowledge
14 of the Act or Commission regulations; an inference of knowing and willful conduct may be
15 drawn from the defendant's scheme to disguise the source of funds used in illegal activities. *Id.*
16 at 213-15.

17 As noted in the Final Report, several individuals provided information about Husk's
18 involvement in the Fiesta Bowl's contribution reimbursement scheme, as well as his prominent
19 role in the First Investigation, during which witnesses appear to have been carefully chosen and
20 coached by Husk so as not to reveal the reimbursements. Indeed, documents from multiple
21 sources describe Husk as a key player in the reimbursement scheme and call into serious
22 question the credibility of his denials.

1 First, the Junker Plea Agreement, which includes several references to "Lobbyist C,"
2 whom we believe is Husk, based on the Final Report,
3 and other available information, details Husk's central role in the scheme.³ In the Junker
4 Plea Agreement, Junker states that Husk informed him early on that campaign contributions
5 could "assist in the effort to remain on solid footing with those important politicians whose
6 support could be vital in ensuring that a new stadium would be built" Attach. 2 at 10. At
7 Husk's suggestion, Junker solicited Board members and employees for contributions, but this
8 proved to be problematic because, while they "understood why the contributions would be in the
9 best interests of the Fiesta Bowl, they did not understand why the donations would be in their
10 own individual self-interest." *Id.*

11 Husk then suggested that Junker tap into a "discretionary bonus" pool of funds to
12 reimburse employee contributions. *Id.* at 11. Husk advised Junker that as long as "the dollar
13 amount of the political contribution obtained from a Fiesta Bowl employee did not match the
14 bonuses later given to the . . . employee on a dollar-for-dollar basis, then as a practical matter no
15 link could be proved between the political contribution and its repayment through reimbursement
16 by a subsequent bonus." *Id.* When Junker "questioned this," Husk "told [him] that 'everyone
17 did it.'" *Id.*

18 Second, factual details provided by Wisneski concerning Husk's involvement corroborate
19 Junker's account, including Husk's role in selecting candidates to receive contributions. *See*
20 Attach. 3 at 10. Wisneski's account of Husk's advice in the Final Report regarding the
21 reimbursements (she claims he said "Yeah, it's done all the time") is consistent with the

³ See, e.g., Craig Harris, *Fiesta Plea Deals Shed Light on Lobbyist*, ARIZ. REPUBLIC, Mar. 25, 2012
("Junker's attorney in February [2012] identified Husk as Lobbyist C during a Maricopa County Superior Court
hearing on Junker's felony plea agreement with the Arizona Attorney General's Office.").

1 statement that Junker attributes to Husk, *i.e.*, "everyone did it." Final Report at 49. As to Husk's
2 point that it would be "illogical" for him to make this statement to Wisneski in 2005 if the
3 scheme began five year earlier, Husk erroneously assumes that reimbursements took place at the
4 same time that the corresponding contributions were made. The available information suggests
5 that, although some contributions may have been made prior to 2005, those contributions were
6 not reimbursed until 2005 or thereafter. Under these circumstances, it makes sense that Husk
7 would not have made the alleged statement until around 2005.

8 In addition, both the Wisneski Indictment and the Junker Criminal Information contain
9 the same detailed description of Husk's role in two incidents that occurred in early 2010. "On or
10 after January 2010 . . . at the urging" of Husk, Wisneski wrote "child care" in the margins of a
11 reimbursement check she received for her contribution to the campaign of an Arizona state
12 senator. Attach. 1 at 10. Around the same time, Husk also "directed Wisneski to omit Junker's
13 name from a list of bonuses paid to Fiesta Bowl employees." *Id.*; *see also* Indictment, *United*
14 *States v. Natalie Wisneski*, Crim. No. 11-02216, at 9 (D. Ariz. filed Nov. 15, 2011).

15 Finally, during Husk's screening of staff to be interviewed by outside counsel during the
16 First Investigation, four employees (Peggy Eyanson, Mary McGlynn, Monica Simental, and
17 Angela Holt) stated that they informed Husk they were aware of contribution reimbursements,
18 yet they were not selected to be interviewed. Final Report at 83. Eyanson, Director of Business
19 Operations for the Fiesta Bowl, said she told Husk that she had been reimbursed and that she was
20 "not going to lie under oath." *Id.* at 89. She said that Husk replied, "We are going to steer the
21 investigation another way and we are not going to let them talk to you." *Id.* Wisneski recalled
22 being coached by Husk with a list of interview questions: "We went through them. And I
23 remember . . . I gave an answer, and he said 'why don't you answer it this way.'" *Id.* at 84

1 (Wisneski does not say in the Final Report what Husk meant by "this way"). Kelly Keogh, who
2 served as Executive Manager for Junker, also said that Husk coached her prior to her interview.
3 *Id.* at 86-87.

4 Although Husk does not address the accounts of these witnesses in his Response to the
5 Complaint, the Final Report states that he denied all of their assertions. *Id.* at 97. Given the
6 consistency of the contrary accounts of several witnesses, however, the weight of the record
7 evidence provides reason to believe that Husk intentionally manipulated the First Investigation to
8 ensure that the Fiesta Bowl's reimbursement practices would not be revealed.

9 Although the felony convictions of Junker and Wisneski for making false statements raise
10 broad questions as to their credibility, their accounts of Husk's acts are not only consistent but
11 quite detailed. Moreover, we do not rely solely on their accounts. Key information
12 incriminating Husk has been corroborated by other witnesses with no apparent motive to provide
13 inaccurate or untruthful information. In sum, after ascribing appropriate weight to relevant facts
14 gathered from a variety of sources, we believe that there is sufficient evidence to conclude at this
15 preliminary stage of the Commission's inquiry that Husk played a key role — along with Junker
16 and Wisneski — in devising and then attempting to cover up the reimbursement scheme.
17 Accordingly, we recommend that the Commission find reason to believe that Gary Husk
18 knowingly and willfully violated 2 U.S.C. § 441f.

19 **IV. CONCILIATION WITH JOHN JUNKER, NATALIE WISNESKI,**
20 **AND GARY HUSK**

21
22 Based on the investigative record at this juncture, we believe there is sufficient
23 information to proceed to pre-probable cause conciliation with Junker, Wisneski, and Husk.
24

A. John Junker

Following the Commission's reason to believe findings against Junker, his counsel submitted a letter stating that a resolution of his federal criminal proceeding was imminent and asking the Commission to treat it as also resolving the FEC Complaint. *See* Letter from Gary L. Birnbaum (Feb. 22, 2012). On March 13, 2012, Junker entered a Plea Agreement in federal district court, pleading guilty to 18 U.S.C. § 371 (Conspiracy), and admitting, among other things, that he "knowingly and willfully" violated the law by "making campaign contributions in the name of another." Attach. 2 at 1, 8. On February 21, 2012, Junker entered a similar agreement in state court based on his involvement in the reimbursement of state contributions made by himself and other Fiesta Bowl employees.

The Criminal Information and Plea Agreement support the Commission's previous knowing and willful findings as to Junker and confirm the facts set forth in the Commission's F&LA. Junker states in his Plea Agreement, "I knew and appreciated that (at the time) it was illegal for all corporations, including all non-profit corporations, to make donations to political

1 campaigns and that it was illegal to use other people's names to pretend that [such] contributions
2 . . . were . . . not being made by the . . . corporations." Attach. 2 at 11. He adds that "I made the
3 decision to solicit employees to write checks to political campaigns; and I made the decision to
4 have the Fiesta Bowl reimburse the employees." *Id.* Junker also "instructed . . . Wisneski to use
5 bonuses to reimburse employees" and made contributions himself, "knowing that I would be
6 reimbursed." *Id.* Although Junker does not identify each reimbursed federal contribution, he
7 appears to admit to consenting to and assisting with the reimbursement of "approximately"
8 \$29,200 in such contributions, which is roughly consistent with the amount identified in the
9 FGCR. *Id.* at 11-12; FGCR at Attach. 1 (listing \$30,400 in reimbursed contributions).

10 Based on the available evidence, we recommend that the Commission authorize pre-
11 probable cause conciliation

12 Although Junker argues that the criminal prosecution should resolve the FEC complaint,
13 Junker only pleaded guilty to a conspiracy charge, not a violation of the Act. Accordingly, it is
14 in the interest of the Commission to pursue this matter to deter violations of the Act.

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14 **B. Natalie Wisneski**

15 Wisneski's Response to the Commission's reason to believe finding, which was filed
16 before she reached a plea agreement resolving her federal criminal charges, does not directly
17 comment on the F&LA in light of her then-pending trial. Wisneski RTB Resp. at 1. The
18 Response states that any decision by the Commission "to seek further redress . . . is redundant
19 and not in the public interest." *Id.* at 2. It also "reemphasize[s] that . . . Wisneski fully
20 cooperated with the internal Fiesta Bowl investigation [that] serves as the entire basis for the
21 FEC's reported conclusions to date." *Id.*

On March 15, 2012, Wisneski entered a Plea Agreement in federal district court, pleading guilty to 18 U.S.C. § 371 (Conspiracy), in which she admitted, among other things, that she “knowingly and willfully” violated the law by “making campaign contributions in the name of another.” Attach. 3 at 1, 8. The Agreement states that Wisneski’s term of imprisonment “will not exceed 24 months” and “no order of restitution need be entered.” *Id.* at 4.

Wisneski’s Plea Agreement confirms the facts in the Commission’s F&LA and provides further details as to the implementation of the reimbursement scheme and Wisneski’s precise role, including her knowledge that the activity was unlawful. She states that, from 2006 — when she became the Fiesta Bowl’s COO — through 2010 (which coincided with the federal contribution reimbursements), she was “directly supervised by” Junker, who is referred to as “Officer A” in the Agreement. Attach. 3 at 9. She was “second-in-command” after Junker, and through her “direct reports,” she “oversaw payroll and a separate, manual checkbook in which [she] authorized and signed discretionary payments, including reimbursements for political contributions.” *Id.* She “solicited employees to write [contribution] checks” at the direction of Junker and Husk, and “use[d] bonuses to reimburse employees” at the direction of Junker. *Id.* at 10. She knew her own contributions would be reimbursed and “assisted in the reimbursing of employees for their contributions, through various means, including bonuses and miscellaneous pay.” *Id.* She “knew that the representations that the checks were coming from individual funds were false” and that “the Fiesta Bowl was the true contributor to the campaigns.” *Id.*

1. Based on the available evidence, we recommend that the Commission authorize pre-

2. probable cause conciliation

3 Like Junker, because Wisneski only pleaded guilty to a conspiracy charge,
4 we believe that the Commission has an interest in pursuing this matter to address Wisneski's
5 violations of the Act.

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C. Gary Husk

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Based on the available evidence, we recommend that the Commission authorize pre-

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probable cause conciliation and

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V. RECOMMENDATIONS

1. Find reason to believe that Gary Husk knowingly and willfully violated 2 U.S.C. § 441f.
2. Enter into conciliation with John H. Junker prior to a finding of probable cause to believe,
3. Enter into conciliation with Natalie Wisneski prior to a finding of probable cause to believe,
4. Enter into conciliation with Gary Husk prior to a finding of probable cause to believe,
5. Approve the attached Factual and Legal Analysis.

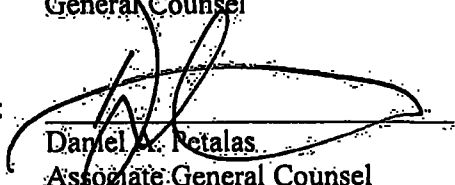
6. Approve the appropriate letters.

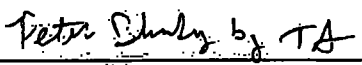
Date:


7/18/12

Anthony Herman
General Counsel

BY:


Daniel A. Petalas
Associate General Counsel
for Enforcement


Peter G. Blumberg
Assistant General Counsel


Thomas J. Andersen
Attorney

Attachments:

1. Criminal Information for John Junker
2. Plea Agreement for John Junker
3. Plea Agreement for Natalie Wisneski

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UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

United States of America,

Plaintiff,

v.

John Junker,

Defendant.

NO. CR '12 05 11 PHX DGC

INFORMATION

VIO: 18 U.S.C. § 371
(Conspiracy)

THE UNITED STATES ATTORNEY CHARGES:

INTRODUCTION

At all times relevant to this Information:

At all times relevant to this indictment:

A. Federal Election Laws

1. The Federal Election Campaign Act ("FECA") regulated the financial activities of candidates for federal office and the political committees that received contributions on their behalf.

2. FECA defined "federal office" as the office of President or Vice President of the United States or Senator or Representative in the United States Congress.

3. FECA defined "political committee" as a committee, club, association or other group of persons that receives contributions aggregating in excess of \$1,000.00 during a calendar year or that makes expenditures in excess of \$1,000.00 during a calendar year.

1 4. FECA defined "election" to include a general, special, primary, or runoff election and a
2 convention or caucus of a political party with authority to nominate a candidate.

3 5. FECA defined "principal campaign committee" as the main political committee designated
4 and authorized by a candidate for federal office to receive contributions and make expenditures
5 on its behalf. FECA required that a candidate for federal office designate a principal campaign
6 committee.

7 6. Under FECA, a candidate for federal office who received contributions or made
8 disbursements for his or her campaign was deemed an agent of the candidate's authorized
9 political committee.

10 7. FECA required each political committee to have a treasurer who was required to file
11 periodic reports with the Federal Election Commission ("FEC") identifying, among other things,
12 persons whose contributions aggregated in excess of \$200.00 within the calendar year (or per
13 election cycle in the case of authorized committees of a candidate for federal office) by name,
14 address, and occupation and the contributions provided by those contributors by date and
15 amount.

16 8. FECA defined a "contribution" as, among other things, any gift, loan, advance of deposit
17 of money or anything of value made by a person for the purposes of influencing any election for
18 federal office.

19 9. FECA defined an "authorized committee" as the principal campaign committee or any other
20 political committee authorized, in writing, by a candidate for federal office to receive
21 contributions or make expenditures on behalf of such candidate.

22 10. FECA prohibited the following:

23 a. A person (including a partnership or corporation) from making a contribution in
24 the name of another person or knowingly permitting the other person's name to be used to effect
25 such a contribution. The individual in whose name a contribution is made is known as a
26 "conduit contributor."

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1 b. A corporation from making any campaign contributions to a candidate for federal
2 elective office.

3 B. Parties and Entities

4 11. The Fiesta Bowl and the Insight Bowl were college football bowl games played in Arizona
5 each year. The Fiesta Bowl organization ("the Fiesta Bowl" or "the organization"), through its
6 Board of Directors, organized and operated the bowl games. On a quadrennial basis, the Fiesta
7 Bowl organization also organized and operated a putative National Championship Game.

8 12. The Fiesta Bowl organization was composed of four non-profit entities: The Arizona Sports
9 Foundation (the sponsoring entity for the Fiesta Bowl); the Valley of the Sun Bowl Foundation
10 (the sponsoring entity for the Insight Bowl); Fiesta Events, Inc. (the sponsoring entity for certain
11 special events); and the Arizona College Football Championship Foundation (the sponsoring
12 entity for the putative National Championship Game when it was held in Arizona). The four
13 entities shared a common Board of Directors. The Arizona Sports Foundation was the primary
14 non-profit entity for the purpose of income and expenditures.

15 13. Each of the four entities filed a Form 990 Return of Organization Exempt from Income Tax
16 with the Internal Revenue Service on an annual basis. Organizations exempt from income tax
17 under Section 501(c)(3) of the Internal Revenue Code were prohibited from directly or indirectly
18 engaging in political campaign activities. Exempt organizations were permitted to engage in
19 certain lobbying activities to influence legislation and legislators, but were required to disclose
20 those activities on the Form 990. Exempt organizations were required to list the compensation
21 paid to officers and the five highest paid employees on the Form 990.

22 14. JOHN JUNKER was the Executive Director and highest paid employee of the Fiesta Bowl
23 organization. JUNKER was employed by the Fiesta Bowl organization from on or around 1980
24 through on or around 1989 as the Assistant Executive Director. He returned to the Fiesta Bowl
25 as Executive Director in early 1990, and held the top position in the organization until 2011.

26 15. NATALIE WISNESKI aka NATALIE AGUILAR-WISNESKI aka NATALIE ANN
27 WISNESKI ("WISNESKI") was an officer and one of the five highest paid employees of the
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1 Fiesta Bowl organization. WISNESKI was hired by the organization as an accounting clerk in
2 or around 1989 and gradually gained more responsibility within and for the organization.
3 WISNESKI was the Vice President of Finance through in or around 2006, and the Chief
4 Operating Officer thereafter until her resignation in or around March 2011. WISNESKI signed
5 the Forms 990 for tax years 2004, 2007 and 2008 on behalf of the Arizona Sports Foundation
6 and the other entities.

7 **CONSPIRACY**

8 **(COUNT 1)**

9 16. Beginning at least as early as September 2003 and continuing through on or around
10 October, 2010 in the District of Arizona and elsewhere, JUNKER did knowingly and willfully
11 conspire and agree with WISNESKI and persons known and unknown to the United States, to
12 commit the following offenses against the United States:

- 13 a. Making Federal Campaign Contributions in the Name of Another, in violation of
14 Title 2, United States Code, Sections 441f and 437g(d)(1)(D);
15 b. Making False Statements to the FEC, in violation of Title 18, United States Code,
16 Section 1001(a)(2); and
17 c. Defrauding the United States, through deceitful and dishonest means, by
18 impairing, impeding, obstructing, and defeating the lawful functions and duties of the Internal
19 Revenue Service.

20 **OBJECTS OF THE CONSPIRACY**

21 17. It was an object of the conspiracy that:

- 22 a. JUNKER and WISNESKI and others known and unknown would solicit
23 campaign contributions for local, state and federal elections from Fiesta Bowl employees.
24 b. JUNKER and WISNESKI and others known and unknown would reimburse Fiesta
25 Bowl employees for their political contributions.
26 c. JUNKER and WISNESKI and others known and unknown would conceal the
27 political contributions and lobbying expenses from the Internal Revenue Service.

MEANS AND METHODS OF THE CONSPIRACY

18. The means and methods employed to effect the objects of the conspiracy were as follows:

a. JUNKER and his subordinates, including WISNESKI, devised different mechanisms to reimburse political contributions, to include:

i. Using "manual" checks, outside of the regular, automated third-party payroll processing system;

ii. Reimbursing in cash;

iii. Adding reimbursements on top of bonuses;

iv. Intentionally reimbursing for amounts that differed from the actual out-of-pocket employee expense; and

v. Adding reimbursements on top of vehicle reimbursements.

b. JUNKER and WISNESKI and others known and unknown represented to their outside auditors and to state and federal regulators that they were in compliance with all non-profit regulations.

c. JUNKER and WISNESKI and others known and unknown attempted to conceal the full extent of the reimbursements during an internal investigation and subsequently to conceal from the Arizona Secretary of State.

OVERT ACTS

19. In furtherance of the aforesaid conspiracy, and to effect the objects of the conspiracy, JUNKER, WISNESKI and others known and unknown performed and caused to be performed, among others, the following overt acts in the District of Arizona and elsewhere:

a. On or about September 26, 2003, a Fiesta Bowl consultant sent WISNESKI and Officer B a memo discussing prohibited non-profit activities, to include influencing elections. On or about September 29, 2003, Officer B sent an email to WISNESKI and JUNKER about the risks of political contributions by non-profit entities. The email defined "political contribution" to include any amount paid to a political campaign, and warned that "not-for-profits will be the next target of [IRS] scrutiny."

1 b. In or around February 2004, multiple Fiesta Bowl employees, including
2 WISNESKI, wrote checks to the county election campaign of Maricopa County Supervisor
3 Andrew Kunasek, and were subsequently reimbursed by the Fiesta Bowl, through checks signed
4 by WISNESKI, on or around May 24, 2004.

5 c. On or about September 29, 2005, JUNKER and Officer B signed the Articles of
6 Incorporation for the Arizona National Championship Game Foundation. Article XI contained
7 the following promise: "No substantial part of the activities for the corporation shall be the
8 carrying on of propaganda, or otherwise attempting to influence legislators, and the Corporation
9 shall not participate in, or intervene in any political campaign on behalf of or in opposition to,
10 any candidate for public office."

11 d. On or about February 2006, WISNESKI signed the Form 990 Return of
12 Organization Exempt from Income Tax for the tax year commencing April 1, 2004, and certified
13 that the Arizona Sports Foundation made "0" direct or indirect political expenditures.

14 e. On or about June 16, 2006, a subordinate of WISNESKI wrote a check for
15 \$1,500.00 to the re-election campaign of Senator Jon Kyl, and was reimbursed on July 11, 2006,
16 through a check signed by WISNESKI.

17 f. On or about August 28, 2006, Lobbyist C sent an email to JUNKER requesting
18 that the Fiesta Bowl "round-up" some checks for the reelection campaign of State Senator
19 Carolyn Allen. In or about November 2006 Fiesta Bowl employees, including WISNESKI,
20 wrote checks to the campaign, and were reimbursed by the Fiesta Bowl, through checks signed
21 by WISNESKI, on or around December 27, 2006.

22 g. In early October 2006, an employee of Lobbyist D engaged in an extended email
23 discussion with a Fiesta Bowl employee about a fundraiser for the reelection campaign of
24 Congressman J.D. Hayworth. The two discussed "how much the checks can be for." At the end
25 of the email string, JUNKER warned the Fiesta Bowl employee not to send any emails from the
26 office: "DO NOT send any emails frm office. U and I will discuss shortly." At the fundraiser
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1 on October 18, 2006, five Fiesta Bowl employees and employee spouses wrote checks to the
2 campaign for a total of over \$3,000.00.

3 h. On or about October 24, 2006, WISNESKI arranged for a Fiesta Bowl employee
4 to receive a \$15,000.00 check, which was intended to be used to distribute cash reimbursements
5 for campaign contributions.

6 i. On or about November 16, 2006, Officer B filed an IRS Form 1023 Application
7 for Recognition of Exemption Status on behalf of the Arizona College Football Championship
8 Foundation. Officer B represented that the organization neither supported nor opposed political
9 candidates "in any way", nor attempted to influence legislation.

10 j. On or about December 20, 2006, a WISNESKI subordinate, on behalf of the
11 Arizona Sports Foundation, wrote a check for \$10,000.00 to "Arizona Inaugural 2007" for
12 "Governor Napolitano's Second Term Inaugural."

13 k. In or about February 2007, Officer B signed the Form 990 Return of Organization
14 Exempt from Income Tax for the tax year commencing April 1, 2005, and certified that the
15 Arizona Sports Foundation made "0" direct or indirect political expenditures.

16 l. On or about March 8, 2007, five Fiesta Bowl employees and their spouses,
17 including WISNESKI and JUNKER, wrote checks for \$2,100.00 each (for a total of \$10,500.00)
18 to the presidential campaign of Senator John McCain, and were subsequently reimbursed by the
19 Fiesta Bowl. The checks written by the Fiesta Bowl employees and spouses were "bundled" and
20 delivered to the campaign by Lobbyist C.

21 m. On or about July 10, 2007, Lobbyist C sent an email to JUNKER in order to get
22 a meeting "to focus on [the Fiesta Bowl's] legislative package." Lobbyist C referenced a
23 previous communication with Lobbyist D about the package.

24 n. On or about August 7, 2007, JUNKER, Officer B and WISNESKI signed a
25 management representation letter on behalf of the Fiesta Bowl which was directed to its audit
26 firm. In the signed management representation letter they represented that there had been no
27 violations or possible violation of laws or regulations whose effects should be considered for
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1 disclosure. They further represented that they understood the term "fraud" to include
2 "misstatements arising from fraudulent financial reporting"

3 o. On or about October 29, 2007, a WISNESKI subordinate wrote a check for
4 \$390.00 to the re-election campaign of Arizona House Speaker Jim Weiers, and was
5 subsequently reimbursed by the Fiesta Bowl, through a check signed by WISNESKI on
6 November 28, 2007.

7 p. In or about February 2008, Officer B signed the Form 990 Return of Organization
8 Exempt from Income Tax for the tax year commencing April 1, 2006, and certified that the
9 Arizona Sports Foundation made "0" direct or indirect political expenditures.

10 q. On or about March 28, 2008, three Fiesta Bowl employees and spouses wrote
11 checks for \$1,000.00 each (for an aggregate of \$3,000.00) to the presidential campaign of
12 Senator John McCain, and were subsequently reimbursed by the Fiesta Bowl.

13 r. On or about July 31, 2008, WISNESKI and JUNKER signed a management
14 representation letter on behalf of the Fiesta Bowl which was directed to its new audit firm. In
15 the signed management representation letter they represented that there had been no violations
16 or possible violation of laws or regulations whose effects should be considered for disclosure.

17 s. On or about October 12, 2008, multiple Fiesta Bowl employees and spouses,
18 including WISNESKI, wrote checks to the campaign of Scottsdale mayoral candidate Mary
19 Manross, and were subsequently reimbursed by the Fiesta Bowl.

20 t. On or about December 30, 2008, a Fiesta Bowl employee notified its audit firm
21 about the \$10,000.00 contribution the Fiesta Bowl had previously made to the gubernatorial
22 inauguration in 2007. A tax partner for the audit firm emailed back a hyperlinked page from the
23 IRS website about the ban on political campaign activity by 501(c)(3) organizations.

24 u. On or about January 21, 2009, the Fiesta Bowl sponsored a fundraiser to retire the
25 campaign debt of Scottsdale Mayor Jim Lane. Multiple Fiesta Bowl employees and spouses
26 wrote checks, including WISNESKI, and were reimbursed by the Fiesta Bowl.

1 v. In or about February 2009, WISNESKI signed the Form 990 Return of
2 Organization Exempt from Income Tax for the tax year commencing April 1, 2007, and certified
3 that the Arizona Sports Foundation made no direct or indirect political expenditures and had not
4 attempted to influence legislation or public opinion on a legislative matter.

5 w. On or about June 30, 2009, WISNESKI and another Fiesta Bowl employee wrote
6 \$1,000.00 checks (for an aggregate of \$2,000.00) to a political committee that served as Senator
7 John McCain's Senate campaign committee and that made contributions to other candidates for
8 federal office. The Fiesta Bowl employees were subsequently reimbursed by the Fiesta Bowl.

9 x. On or about July 30, 2009, WISNESKI and JUNKER signed a management
10 representation letter on behalf of the Fiesta Bowl which was directed to its audit firm. In the
11 signed management representation letter they represented that there had been no violations or
12 possible violation of laws or regulations whose effects should be considered for disclosure.
13 WISNESKI and JUNKER also represented to the audit firm that there had been no material
14 changes to the organization that would jeopardize its tax-exempt status.

15 y. On or about November 3, 2009, Lobbyist C sent an email to JUNKER that stated
16 as follows: "Don't forget about "Governor Brewer 2010" checks in the amount of \$140.00 that
17 MUST be dated November 5th. Need them on hand tomorrow." Several Fiesta Bowl employees,
18 including WISNESKI, wrote \$140.00 checks to the campaign on November 5, 2009. On
19 November 19, 2009, WISNESKI issued several "bonus" checks from the manual checkbook to
20 reimburse the employees, including herself.

21 z. On or about November 17, 2009, in response to a press inquiry about lobbying
22 activities and the salary of JUNKER, JUNKER and Lobbyist C discussed the issues. The
23 following day WISNESKI memorialized certain lobbying expenses in 2005 but determined that
24 the Fiesta Bowl would not amend its 2005 Form 990.

25 aa. In or around December 2009, after the Fiesta Bowl Board of Directors had decided
26 to conduct an internal investigation, Lobbyist C pre-interviewed WISNESKI. WISNESKI
27
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1 subsequently denied during her internal interview that the Fiesta Bowl reimbursed political
2 contributions.

3 bb. On or after January 2010, WISNESKI wrote false notations in the manual check
4 register used to make reimbursements for political contributions. In particular, at the urging of
5 Lobbyist C, WISNESKI wrote "child care" in the margins of the December 2006 reimbursement
6 check she received for a contribution to the campaign of State Senator Carolyn Allen.
7 WISNESKI did so to conceal the reimbursement.

8 cc. On or around January 31, 2010, in an email copied to JUNKER, and in response
9 to an inquiry from the Arizona Secretary of State, Lobbyist C directed WISNESKI to omit
10 JUNKER's name from a list of bonuses paid to Fiesta Bowl employees. WISNESKI complied.

11 dd. On or around February 16, 2010, at an Executive Committee Meeting at the
12 Scottsdale Plaza Resort in which Officer A was present, WISNESKI presented the IRS Form
13 990, which declared no political contributions and no lobbying activity, to the Executive
14 Committee. On or around February 16, 2010, WISNESKI signed the Form 990 Return of
15 Organization Exempt from Income Tax for the tax year commencing April 1, 2008, and certified
16 that the Arizona Sports Foundation made no direct or indirect political expenditures and had not
17 attempted to influence legislation or public opinion on a legislative matter.

18 In violation of Title 18, United States Code, Section 371.

19 Dated this 16th day of February, 2012.

20
21 ANN BIRMINGHAM SCHEEL
Acting United States Attorney
District of Arizona

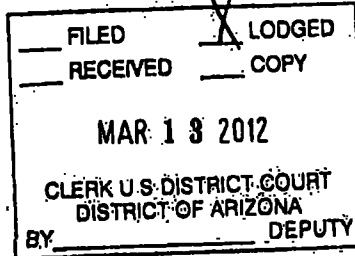
22 
23 FRANK T. GALATI
24 Assistant U.S. Attorney
25
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5 UNITED STATES DISTRICT COURT
6 DISTRICT OF ARIZONA

7 United States of America,
8
9 Plaintiff,

10 v.

11 John Junker
12
13 Defendant.

CR 12 05 11 PHX DGC

PLEA AGREEMENT

14 Plaintiff, United States of America, and the defendant, John Junker, hereby agree to
15 dispose of this matter on the following terms and conditions:

16 1. PLEA

17 The defendant will plead guilty to Count One of the information charging the defendant
18 with a violation of 18 United States Code (U.S.C.) § 371, Conspiracy, a Class D felony offense.

19 2. MAXIMUM PENALTIES

20 a. A violation of 18 U.S.C. § 371, is punishable by a maximum fine of \$250,000, a
21 maximum term of imprisonment of five years, or both, and a term of supervised release of three
22 years. A maximum term of probation is five years.

23 b. According to the Sentencing Guidelines issued pursuant to the Sentencing Reform
24 Act of 1984, the Court shall order the defendant to:

25 (1) make restitution to any victim of the offense pursuant to 18 U.S.C. § 3663
26 and/or 3663A, unless the Court determines that restitution would not be appropriate;
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1 (2) pay a fine pursuant to 18 U.S.C. § 3572, unless the Court finds that a fine
2 is not appropriate;

3 (3) serve a term of supervised release when required by statute or when a
4 sentence of imprisonment of more than one year is imposed (with the understanding that the
5 Court may impose a term of supervised release in all other cases); and

6 (4) pay upon conviction a \$100.00 special assessment for each felony count to
7 which the defendant pleads guilty pursuant to 18 U.S.C. § 3013(a)(2)(A).

8 c. The Court is required to consider the Sentencing Guidelines in determining the
9 defendant's sentence. However, the Sentencing Guidelines are advisory, and the Court is free
10 to exercise its discretion to impose any reasonable sentence up to the maximum set by statute for
11 the crime(s) of conviction, unless there are stipulations to the contrary that the Court accepts.

12 **3. COOPERATION REQUIRED**

13 a. If requested by the United States, the defendant shall meet with representatives of
14 the United States at any reasonable time and place and, in such meetings, shall (i) waive the Fifth
15 Amendment privilege against self-incrimination; (ii) answer all questions asked about any topic
16 whatsoever; and (iii) provide full and complete information about the topics discussed in each
17 interview, if necessary by volunteering information about which no questions are asked.

18 b. If requested by the United States, the defendant shall deliver to the United States
19 any documents and other items to which the defendant has access.

20 c. If requested by the United States, the defendant shall testify at any time and place
21 and, when testifying, shall not invoke the Fifth Amendment privilege against self-incrimination.

22 d. All information, evidence, and testimony provided by the defendant pursuant to
23 the cooperation, on any topic whatsoever, shall be truthful, honest, candid, and complete with
24 no knowing and material omissions or false statements. The defendant shall not attempt to either
25 protect or falsely implicate any person or entity through false information or omission.

26 e. The United States Attorney's Office for the District of Arizona shall not use
27 directly against the defendant in any criminal proceeding (other than a criminal forfeiture
28 proceeding) any evidence provided by the defendant as part of the cooperation. Additionally,

1 pursuant to Section 1B1.8 of the Sentencing Guidelines, the Court shall not use such evidence
2 in determining the defendant's advisory Sentencing Guidelines range. For the avoidance of
3 doubt, however, the United States may (i) make derivative use of evidence provided by the
4 defendant pursuant to the cooperation, and (ii) use such evidence directly against the defendant
5 in any criminal forfeiture proceeding and any administrative or civil proceeding.

6 f. Without the prior consent of the United States Attorney's Office for the District
7 of Arizona, the defendant shall not disclose or reveal to any third party the fact that the defendant
8 is cooperating, or the nature of any information that has been obtained by the United States. The
9 defendant shall notify the United States as soon as possible of any such disclosures.

10 g. The defendant shall notify the United States as soon as possible of any interactions
11 or contacts with any subject or target of any ongoing criminal investigation, any criminal
12 defendant, or their respective counsel or associates.

13 h. The defendant shall not violate any local, state, federal or foreign laws. The defen-
14 dant shall comply with all terms and conditions of the defendant's pre-trial release.

15 i. If the United States wishes for the defendant's cooperation to continue, the
16 defendant shall not oppose any motions to continue the defendant's sentencing. The parties
17 contemplate that defendant will not be sentenced until his cooperation with both state and federal
18 authorities is complete. The parties recognize that the granting of a continuance is within the
19 Court's discretion.

20 **4. AGREEMENTS REGARDING SENTENCING**

21 a. Recommendation. Pursuant to Fed. R. Crim. P. 11(c)(1)(B), at sentencing and any
22 other appropriate time, the United States shall bring the nature and extent of the defendant's
23 cooperation to the attention of the Court and/or the Federal Bureau of Prisons. Due to
24 defendant's truthful cooperation with the United States to this point, and conditioned upon
25 defendant's continued truthful cooperation as delineated in section 3, *supra*, prior to the
26 defendant's sentencing, the United States shall move the Court to depart downward from the
27 Sentencing Guidelines, pursuant to Section 5K1.1 of the Sentencing Guidelines.
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1 b. Non-Binding Recommendations. The defendant understands that Fed. R. Crim. P.
2 11(c)(1)(B) recommendations are not binding on the Court. The defendant further understands
3 that the defendant will not be permitted to withdraw the guilty plea if the Court does not follow
4 a recommendation.

5 c. Stipulations. Pursuant to Fed. R. Crim. P. 11(c)(1)(C), upon defendant's
6 compliance with the terms of this agreement, the parties agree that any sentence of imprisonment
7 will not exceed 24 months; that is, the stipulated range of sentence is probation on the low end
8 and 24 months on the high end. In addition, any sentence of imprisonment shall run
9 concurrently with any sentence of imprisonment that may be imposed by another sovereign
10 upon conviction for conduct arising from those matters contained in the Fiesta Bowl Special
11 Committee report of 2010.

12 The parties, as well as the State of Arizona, agree that prison time, if imposed by both this
13 Court and the Arizona state court, will be served in a federal institution. In furtherance of that
14 agreement, the parties stipulate, with the Court's concurrence, that defendant will be sentenced
15 in federal court before he is sentenced in state court so that prison time, if imposed by this Court,
16 will be served in a federal institution.

17 d. Restitution. In light of the provisions of Section 5 (see below) of this plea
18 agreement, no order of restitution need be entered in this matter.

19 e. Acceptance of Responsibility. If the defendant makes full and complete disclo-
20 sure to the U.S. Probation Office of the circumstances surrounding the defendant's commission
21 of the offense, and if the defendant demonstrates an acceptance of responsibility for this offense
22 up to and including the time of sentencing, the United States will recommend a two-level
23 reduction in the applicable Sentencing Guidelines offense level pursuant to U.S.S.G. § 3E1.1(a).
24 If the defendant has an offense level of 16 or more, the United States will recommend an
25 additional one-level reduction in the applicable Sentencing Guidelines offense level pursuant
26 to U.S.S.G. § 3E1.1(b).

1 **5. AGREEMENT TO COOPERATE WITH THE INTERNAL REVENUE SERVICE**

2 a. The defendant acknowledges his obligation to report and pay tax on all income he
3 received from the Arizona Sports Foundation dba The Fiesta Bowl, and any of its affiliated
4 entities (collectively, "the organization"), including income reflected in any and all amended
5 W-2 forms issued by the organization to him. Nothing contained herein requires defendant to
6 agree with the income stated on amended W-2 forms issued by the Fiesta Bowl organization.

7 b. The defendant will cooperate with the Internal Revenue Service in determining the
8 amount of any tax to be imposed on him individually as a result of any excess benefit
9 transactions, political contributions, or disqualifying lobbying expenses.

10 c. Nothing in this agreement shall be construed in a way that would prevent the
11 defendant from claiming any additional deductions or credits for the tax years at issue, and the
12 defendant shall retain the right to assert any and all defenses in any civil tax audit, controversy,
13 appeal or litigation.

14 **6. BREACH OF THE AGREEMENT**

15 a. If the defendant fails to comply with any of the defendant's obligations or promises
16 set forth in the Plea Agreement, the United States may:

17 i. in its sole and absolute discretion, declare any provision of the Plea
18 Agreement null and void, without giving the defendant any right or option to withdraw from the
19 Plea Agreement or the plea of guilty;

20 ii. recommend any sentence, up to and including the statutory maximum
21 sentence;

22 iii. prosecute the defendant, or reinstitute prosecution of the defendant, for any
23 and all crimes committed by the defendant, notwithstanding the Statute of Limitations, the
24 Speedy Trial Act, and any constitutional restrictions in bringing later proceedings;

25 iv. use in any manner, and in any proceeding, any evidence provided by the
26 defendant before or after execution of this Plea Agreement; and

27 v. advise the Bureau of Prisons that the defendant is no longer a cooperating
28 witness, and recommend redesignation of the defendant to a higher custodial level.

b. If there is a dispute regarding the obligations of the parties under this agreement, the United States District Court shall determine whether the United States or the defendant has failed to comply with this agreement including whether the defendant has been truthful.

7. AGREEMENT TO DISMISS OR NOT TO PROSECUTE

a. This Office shall not prosecute the defendant for any other offenses committed by the defendant, and known by the United States, in connection with matters addressed in the Special Committee Report or the discovery produced by the United States.

b. This agreement does not, in any manner, restrict the actions of the United States in any other district or bind any other United States Attorney's Office. The United States Attorney for the District of Arizona is unaware of any other investigations or contemplated investigations or prosecutions by any other district or division of the United States Department of Justice.

8. COURT APPROVAL REQUIRED; REINSTITUTION OF PROSECUTION

a. If the Court, after reviewing this plea agreement, concludes that any provision contained herein is inappropriate, it may reject the plea agreement and give the defendant the opportunity to withdraw the guilty plea in accordance with Fed. R. Crim. P. 11(c)(5).

b. If the defendant's guilty plea or plea agreement is rejected, withdrawn, vacated, or reversed at any time, this agreement shall be null and void, the United States shall be free to prosecute the defendant for all crimes of which it then has knowledge and any charges that have been dismissed because of this plea agreement shall automatically be reinstated. In such event, the defendant waives any and all objections, motions, and defenses based upon the Statute of Limitations, the Speedy Trial Act, or constitutional restrictions in bringing later charges or proceedings. The defendant understands that any statements made at the time of the defendant's change of plea or sentencing may be used against the defendant in any subsequent hearing, trial, or proceeding subject to the limitations of Fed. R. Evid. 410.

9. WAIVER OF DEFENSES AND APPEAL RIGHTS

Providing the defendant's sentence is consistent with this agreement, the defendant waives (1) any and all motions, defenses, probable cause determinations, and objections that the

1 defendant could assert to the indictment or information; and (2) any right to file an appeal, any
2 collateral attack, and any other writ or motion that challenges the conviction, an order of
3 restitution or forfeiture, the entry of judgment against the defendant, or any aspect of the
4 defendant's sentence, including the manner in which the sentence is determined, including but
5 not limited to any appeals under 18 U.S.C. § 3742 and motions under 28 U.S.C. §§ 2241 and
6 2255. The defendant acknowledges that if the Court has sentenced the defendant according to
7 the terms of this agreement, this waiver shall result in the dismissal of any appeal, collateral
8 attack, or other motion the defendant might file challenging the conviction, order of restitution
9 or forfeiture, or sentence in this case.

10 **10. DISCLOSURE OF INFORMATION**

11 a. The United States retains the unrestricted right to provide information and make
12 any and all statements it deems appropriate to the U.S. Probation Office and to the Court in
13 connection with the case.

14 b. Any information, statements, documents, and evidence that the defendant provides
15 to the United States pursuant to this agreement may be used against the defendant at any time.

16 c. The defendant shall cooperate fully with the U.S. Probation Office. Such
17 cooperation shall include providing complete and truthful responses to questions posed by the
18 U.S. Probation Office including, but not limited to, questions relating to:

19 i. criminal convictions, history of drug abuse, and mental illness; and

20 ii. financial information, including present financial assets or liabilities that
21 relate to the ability of the defendant to pay a fine or restitution.

22 **11. FORFEITURE, CIVIL, AND ADMINISTRATIVE PROCEEDINGS**

23 a. Nothing in this agreement shall be construed to protect the defendant from
24 administrative or civil forfeiture proceedings or prohibit the United States from proceeding with
25 and/or initiating an action for civil forfeiture. Pursuant to 18 U.S.C. § 3613, all monetary
26 penalties, including restitution imposed by the Court, shall be due immediately upon judgment
27 and subject to immediate enforcement by the United States. If the Court imposes a schedule of
28

1 payments, the schedule of payments shall be merely a schedule of minimum payments and shall
2 not be a limitation on the methods available to the United States to enforce the judgment.

3 b. Nothing in this agreement shall be construed to satisfy, settle, or compromise any
4 civil tax liability, including additions to tax, interest and penalties, that the defendant may owe
5 to the IRS as to his (or the organization's) federal income tax returns.

6 **12. ELEMENTS**

7 a. The defendant understands that if the case were to proceed to trial, the government
8 would be required to prove the following elements beyond a reasonable doubt before the
9 defendant could be found guilty of the offense to which the defendant is pleading guilty:

10 **Conspiracy**

11 First, there was an agreement between two or more persons to commit the offense
12 of Making Campaign Contributions in the Name of Another, Making False Statements or
13 Defrauding the United States;

14 Second, the defendant was a member of the conspiracy, knowing of its object and
15 intending to help accomplish it;

16 Third, one of the members of the conspiracy performed at least one overt act for
17 the purpose of carrying out the conspiracy.

18 Additionally, the government must prove by a preponderance of the evidence that
19 defendant's conduct occurred, in whole or in part, in the District of Arizona.

20 b. The defendant further understands that the following are the elements of the crimes
21 which defendant conspired to commit:

22 **Making Campaign Contributions in the Name of Another**

23 First, a person or persons made contributions to federal political campaigns in the
24 names of others, that is, a person or persons solicited others to donate to federal political
25 campaigns, and subsequently reimbursed the individual contributors;

26 Second, the contributions exceeded \$10,000 in at least one calendar year; and

27 Third, the defendant acted knowingly and willfully.
28

1 **False Statements**

2 First, a person or persons made a false statement, to wit, a campaign contribution
3 check purporting to come from the person's own funds;

4 Second, a person or persons willfully provided the check to a political campaign,
5 knowing that it falsely represented that the contribution came from the person's own funds;

6 Third, the false statement was made in a matter within the jurisdiction of a federal
7 executive branch agency, to wit: the Federal Election Commission; and

8 Fourth, the statement was material, that is, it had the capacity to influence an
9 agency's actions.

10 No mental state is required with respect to the fact that a matter is within the
11 jurisdiction of a federal agency. Ninth Circuit Criminal Jury Instruction § 8.66; United States
12 v. Green, 745 F.2d 1205, 1209-10 (9th Cir. 1984).

13 **Defrauding the United States**

14 First, a person or persons defrauded the United States by impairing, impeding,
15 obstructing and defeating the lawful functions and duties of the Internal Revenue Service, to wit:
16 falsely preparing or signing tax-exempt organization Forms 990; and

17 Second, a person or persons acted through deceitful and dishonest means.

18 **13. FACTUAL BASIS**

19 The defendant admits that the following facts are true and that if this matter were to
20 proceed to trial the United States could prove the following facts beyond a reasonable doubt

21 I was employed by the Fiesta Bowl organization from on or around 1980 through on or
22 around 1989 as the Assistant Executive Director. I returned to the Fiesta Bowl as Executive
23 Director in early 1990, and I held the top position in the organization until 2011.

24 The major bowl status of the Fiesta Bowl was threatened by the growing age of Arizona
25 State University's Sun Devil Stadium and the erection of the Dallas Cowboys' Stadium, and in
26 turn the millions of dollars of economic benefit that came to Arizona in hosting major bowl
27 matchups each year.

28

1 After the failure of the first new stadium effort in the early part of the 21st Century, I and
2 members of the Board of Directors of the Fiesta Bowl came to believe that without a coordinated
3 effort directed at various elected and appointed bodies, including the Arizona Legislature and
4 Arizona's Congressional delegation, there was no guaranty that a new stadium, which was vital
5 to the Fiesta Bowl's continued success, would be achieved.

6 As a result, a decision was made by the Board to engage a consultant to assist the Bowl
7 with legislative affairs. He is referred to here as Lobbyist C. He was also a lawyer. I did not
8 know Lobbyist C before a member of the Board recommended his engagement for the purposes
9 outlined above.

10 Soon after his engagement as an independent contractor, Lobbyist C told me that, in order
11 to assist in the effort to remain on solid footing with those important politicians whose support
12 could be vital in ensuring that a new stadium would be built, in ensuring that the Fiesta Bowl
13 would not be in a disadvantageous position vis-à-vis the other anticipated major tenant of the
14 anticipated new stadium, and in ensuring that the Fiesta Bowl's message to the nation would be
15 strongly supported by important politicians and influence makers, from time to time, Lobbyist
16 C would be approached by members of the fund raising arms of the important politicians for
17 contributions to their campaigns.

18 Originally, when Lobbyist C was solicited for donations by the political campaign
19 personnel of various political candidates and office holders, he would pass the request along to
20 me and I, in turn, would seek to raise money from individual Board members. However, this
21 method proved generally inadequate to meet the need of the candidates and office holders for
22 money.

23 Lobbyist C next suggested that money be solicited from employees of the Bowl but this
24 also proved inadequate because, while Board members and employees presented with the
25 opportunity to make donations generally understood why the contributions would be in the best
26 interests of the Fiesta Bowl, they did not understand why the donations would be in their own
27 individual self-interest. I was a member of that group myself.

1 Lobbyist C knew that the Fiesta Bowl used a discretionary bonus to reward employees
2 that was basically controlled by me. Who would really know, Lobbyist C argued, "why" bonuses
3 were made in the amounts they were made? Lobbyist C stated that, provided the dollar amount
4 of the political contribution obtained from a Fiesta Bowl employee did not match the bonus later
5 given to the Fiesta Bowl employee on a dollar-for-dollar basis, then as a practical matter no link
6 could be proved between the political contribution and its repayment through reimbursement by
7 a subsequent bonus. When I questioned this, Lobbyist C told me that "everyone did it."

8 Nonetheless, I knew and appreciated that (at the time) it was illegal for all corporations,
9 including all non-profit corporations, to make donations to political campaigns and that it was
10 illegal to use other people's names to pretend that contributions being made by all corporations,
11 including all non-profit corporations, to political campaigns were actually not being made by the
12 for profit or non-profit corporations.

13 I knew that since making contributions using other people's names to substitute for the
14 real contributor – the Fiesta Bowl – was illegal, I also knew that agreeing to engage in this
15 conduct with Lobbyist C and the straw-contributors, was also a crime.

16 I knew the Fiesta Bowl was reimbursing political contributions during my tenure. I made
17 the decision to solicit employees to write checks to political campaigns, and I made the decision
18 to have the Fiesta Bowl reimburse the employees. Lobbyist C usually selected the candidates.

19 I instructed Natalie Wisneski to use bonuses to reimburse employees. I made
20 contributions myself, knowing that I would be reimbursed. In particular, my wife and I each
21 made a \$2100 contribution to a presidential campaign in March 2007, and in August 2007 I
22 received a \$4200 check from the Fiesta Bowl to reimburse me and my wife for the contributions,
23 and I deposited it into my bank account. I had previously asked Natalie Wisneski to reimburse
24 me for approximately \$11,000 in federal, state and local political contributions I made from 2000
25 to 2006, and in February 2007 she arranged to add to my bonus to provide reimbursement for
26 those contributions.

1 I knew that non-profit corporations cannot make campaign contributions, and I knew that
2 the Fiesta Bowl could not lawfully reimburse contributions. As a result, when I wanted to use
3 Fiesta Bowl resources to support the re-election effort of an Arizona Congressman
4 in October 2006, I instructed my assistant to talk to me directly rather than using email.

5 From approximately 2006 through 2009 the Fiesta Bowl, under my general direction,
6 reimbursed approximately \$25,000 in contributions made to federal political campaigns (not
7 counting the personal reimbursements to me in February 2007 as referenced above). The \$25,000
8 figure includes over \$10,000 in contributions to a federal campaign that were made in the 2006
9 tax year and reimbursed in the 2007 tax year (which includes the \$4200 reimbursement to me
10 in August 2007), and another \$3,000 in contributions that were made in the 2007 tax year and
11 reimbursed in the 2008 tax year. The Fiesta Bowl also arranged for reimbursements for
12 contributions to state and local political campaigns, including over \$3,000 for contributions
13 made to a state representative's campaign in the 2007 tax year and over \$3,000 for contributions
14 made to local mayoral campaigns in the 2008 tax year. I knew that the representations that the
15 checks were coming from individual funds were false, and I knew that the Fiesta Bowl was the
16 true contributor to the campaigns. I also know that this false information was provided in
17 campaign finance reports to the Federal Election Commission.

18 I was also concerned about the non-profit status of the Fiesta Bowl organization. I knew
19 that the tax returns falsely reported that the organization made no direct or indirect political
20 expenditures, and I authorized the returns for the 2007 and 2008 tax year knowing that the Fiesta
21 Bowl had in fact directly engaged in political expenditures by soliciting and reimbursing
22 employees for their contributions to federal, state and local campaigns. I was present at
23 Executive Committee meetings when the returns were discussed, including a February 16, 2010
24 Executive Committee meeting at the Scottsdale Plaza Resort.

25 Both Lobbyist C and I knew that the Form 990 tax returns required disclosure of lobbying
26 activity because not-for-profit entities may only expend a limited amount of money on lobbying.
27 The Forms 990 submitted to the IRS falsely stated that the Fiesta Bowl did not engage in any
28 lobbying activity. I knew that Lobbyist C and others over the years lobbied heavily on behalf of

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1 the Fiesta Bowl. By way of examples, in July 2007 I communicated with Lobbyist C about the
2 Fiesta Bowl's "legislative package," and in December, 2006, at Lobbyist C's direction, I
3 authorized a \$10,000 contribution to a gubernatorial inauguration, although this money was later
4 returned by the gubernatorial campaign when it discovered the source of the contribution.

5 The above-described conspiracy began at least as early as September 2003 and continued
6 through on or about October 2010 within the District of Arizona.

7 The defendant shall swear under oath to the accuracy of this statement and, if the
8 defendant should be called upon to testify about this matter in the future, any intentional material
9 inconsistencies in the defendant's testimony may subject the defendant to additional penalties
10 for perjury or false swearing, which may be enforced by the United States under this agreement.

11 **APPROVAL AND ACCEPTANCE OF THE DEFENDANT**

12 I have read the entire plea agreement with the assistance of my attorney. I understand each
13 of its provisions and I voluntarily agree to it.

14 I have discussed the case and my constitutional and other rights with my attorney. I
15 understand that by entering my plea of guilty I shall waive my rights to plead not guilty, to trial
16 by jury, to confront, cross-examine, and compel the attendance of witnesses, to present evidence
17 in my defense, to remain silent and refuse to be a witness against myself by asserting my
18 privilege against self-incrimination, all with the assistance of counsel, and to be presumed
19 innocent until proven guilty beyond a reasonable doubt.

20 I agree to enter my guilty plea as indicated above on the terms and conditions set forth
21 in this agreement.

22 I have been advised by my attorney of the nature of the charges to which I am entering
23 my guilty plea. I have further been advised by my attorney of the nature and range of the
24 possible sentence and that my ultimate sentence shall be determined by the Court after
25 consideration of the advisory Sentencing Guidelines.

26 My guilty plea is not the result of force, threats, assurances, or promises, other than the
27 promises contained in this agreement. I voluntarily agree to the provisions of this agreement and
28

1 I agree to be bound according to its provisions.

2 I understand that if I am granted probation or placed on supervised release by the Court,
3 the terms and conditions of such probation/supervised release are subject to modification at any
4 time. I further understand that if I violate any of the conditions of my probation/supervised
5 release, my probation/supervised release may be revoked and upon such revocation,
6 notwithstanding any other provision of this agreement, I may be required to serve a term of
7 imprisonment or my sentence otherwise may be altered.

8 This written plea agreement, and any written addenda filed as attachments to this plea
9 agreement, contain all the terms and conditions of the plea. Any additional agreements, if any
10 such agreements exist, shall be recorded in a separate document and may be filed with the Court
11 under seal; accordingly, additional agreements, if any, may not be in the public record.

12 I further agree that promises, including any predictions as to the Sentencing Guideline
13 range or to any Sentencing Guideline factors that will apply, made by anyone (including my
14 attorney) that are not contained within this written plea agreement, are null and void and have
15 no force and effect.

16 I am satisfied that my defense attorney has represented me in a competent manner.

17 I fully understand the terms and conditions of this plea agreement. I am not now using
18 or under the influence of any drug, medication, liquor, or other intoxicant or depressant that
19 would impair my ability to fully understand the terms and conditions of this plea agreement.

20 2/24/2012
21 Date

John Junker
22 Defendant
23
24
25
26
27
28

APPROVAL OF DEFENSE COUNSEL

I have discussed this case and the plea agreement with my client in detail and have advised the defendant of all matters within the scope of Fed. R. Crim. P. 11, the constitutional and other rights of an accused, the factual basis for and the nature of the offense to which the guilty plea will be entered, possible defenses, and the consequences of the guilty plea including the maximum statutory sentence possible. I have further discussed the concept of the advisory Sentencing Guidelines with the defendant. No assurances, promises, or representations have been given to me or to the defendant by the United States or any of its representatives that are not contained in this written agreement. I concur in the entry of the plea as indicated above and that the terms and conditions set forth in this agreement are in the best interests of my client. I agree to make a bona fide effort to ensure that the guilty plea is entered in accordance with all the requirements of Fed. R. Crim. P. 11.

2-24-12
Date

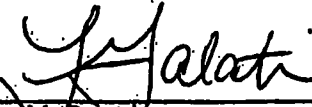

Stephen M. Dichter, Esq.
Attorney for Defendant

APPROVAL OF THE UNITED STATES

I have reviewed this matter and the plea agreement. I agree on behalf of the United States that the terms and conditions set forth herein are appropriate and are in the best interests of justice.

ANN BIRMINGHAM SCHEEL
Acting United States Attorney
District of Arizona

03/12/12
Date


Gary M. Restaino
Chief, Criminal Division
Frank T. Galati
Assistant U.S. Attorney

ACCEPTANCE BY THE COURT

Date

Hon. David G. Campbell
United States District Judge

FILED	LODGED
RECEIVED	COPY
MAR 15 2012	
CLERK U.S. DISTRICT COURT DISTRICT OF ARIZONA	
BY	DEPUTY

ANN BIRMINGHAM SCHEEL
Acting United States Attorney
District of Arizona

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Gary.Restaino@usdoj.gov
Frank.Galati@usdoj.gov

UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

United States of America,
Plaintiff,

v.

Natalie Wisneski
aka Natalie Aguilar-Wisneski
aka Natalie Ann Wisneski,

Defendant.

CR-11-2216-PHX-JAT
PLEA AGREEMENT

Plaintiff, United States of America, and the defendant, Natalie Wisneski, hereby agree to dispose of this matter on the following terms and conditions:

1. PLEA

The defendant will plead guilty to Count One of the indictment charging the defendant with a violation of 18 United States Code (U.S.C.) § 371, Conspiracy, a Class D felony offense.

2. MAXIMUM PENALTIES

a. A violation of 18 U.S.C. § 371, is punishable by a maximum fine of \$250,000, a maximum term of imprisonment of five years, or both, and a term of supervised release of three years. A maximum term of probation is five years.

b. According to the Sentencing Guidelines issued pursuant to the Sentencing Reform Act of 1984, the Court shall order the defendant to:

(1) make restitution to any victim of the offense pursuant to 18 U.S.C. § 3663 and/or 3663A, unless the Court determines that restitution would not be appropriate;

1 (2) pay a fine pursuant to 18 U.S.C. § 3572, unless the Court finds that a fine
2 is not appropriate;

3 (3) serve a term of supervised release when required by statute or when a
4 sentence of imprisonment of more than one year is imposed (with the understanding that the
5 Court may impose a term of supervised release in all other cases); and

6 (4) pay upon conviction a \$100.00 special assessment for each felony count to
7 which the defendant pleads guilty pursuant to 18 U.S.C. § 3013(a)(2)(A).

8 c. The Court is required to consider the Sentencing Guidelines in determining the
9 defendant's sentence. However, the Sentencing Guidelines are advisory, and the Court is free
10 to exercise its discretion to impose any reasonable sentence up to the maximum set by statute for
11 the crime(s) of conviction, unless there are stipulations to the contrary that the Court accepts.

12 3. COOPERATION REQUIRED

13 a. If requested by the United States, the defendant shall meet with representatives of
14 the United States at any reasonable time and place and, in such meetings, shall (i) waive the Fifth
15 Amendment privilege against self-incrimination; (ii) answer all questions asked about any topic
16 whatsoever; and (iii) provide full and complete information about the topics discussed in each
17 interview, if necessary by volunteering information about which no questions are asked.

18 b. If requested by the United States, the defendant shall deliver to the United States
19 any documents and other items to which the defendant has access.

20 c. If requested by the United States, the defendant shall testify at any time and place
21 and, when testifying, shall not invoke the Fifth Amendment privilege against self-incrimination.

22 d. All information, evidence, and testimony provided by the defendant pursuant to
23 the cooperation, on any topic whatsoever, shall be truthful, honest, candid, and complete with
24 no knowing and material omissions or false statements. The defendant shall not attempt to either
25 protect or falsely implicate any person or entity through false information or omission.

26 e. The United States Attorney's Office for the District of Arizona shall not use
27 directly against the defendant in any criminal proceeding (other than a criminal forfeiture
28 proceeding) any evidence provided by the defendant as part of the cooperation. Additionally,

1. pursuant to Section 1B1.8 of the Sentencing Guidelines, the Court shall not use such evidence
2. in determining the defendant's advisory Sentencing Guidelines range. For the avoidance of
3. doubt, however, the United States may (i) make derivative use of evidence provided by the
4. defendant pursuant to the cooperation, and (ii) use such evidence directly against the defendant
5. in any criminal forfeiture proceeding and any administrative or civil proceeding.

6. f. Without the prior consent of the United States Attorney's Office for the District
7. of Arizona, the defendant shall not disclose or reveal to any third party the fact that the defendant
8. is cooperating, or the nature of any information that has been obtained by the United States. The
9. defendant shall notify the United States as soon as possible of any such disclosures.

10. g. The defendant shall notify the United States as soon as possible of any interactions
11. or contacts with any subject or target of any ongoing criminal investigation, any criminal
12. defendant, or their respective counsel or associates.

13. h. The defendant shall not violate any local, state, federal or foreign laws. The defen-
14. dant shall comply with all terms and conditions of the defendant's pre-trial release.

15. i. If the United States wishes for the defendant's cooperation to continue, the
16. defendant shall not oppose any motions to continue the defendant's sentencing.

17. 4. **AGREEMENTS REGARDING SENTENCING**

18. a. **Recommendation.** Pursuant to Fed. R. Crim. P. 11(c)(1)(B), at sentencing and any
19. other appropriate time, the United States shall bring the nature and extent of the defendant's
20. cooperation to the attention of the Court and/or the Federal Bureau of Prisons. Due to
21. defendant's truthful cooperation with the United States to this point, and conditioned upon
22. defendant's continued truthful cooperation as delineated in section 3, *supra*, prior to the
23. defendant's sentencing, the United States shall move the Court to depart downward from the
24. Sentencing Guidelines, pursuant to Section 5K1.1 of the Sentencing Guidelines.

25. b. **Non-Binding Recommendations.** The defendant understands that
26. recommendations are not binding on the Court. The defendant further understands that the
27.

1 defendant will not be permitted to withdraw the guilty plea if the Court does not follow a
2 recommendation.

3 c. Stipulations. Pursuant to Fed. R. Crim. P. 11(c)(1)(C), upon defendant's
4 compliance with the terms of this agreement, the parties agree that any sentence of imprisonment
5 will not exceed 12 months; that is, the stipulated range of sentence is probation on the low end
6 and 12 months on the high end.

7 The parties further agree that the applicable Guidelines offense level is to be determined
8 by reference to section 2C1.8 ("Making, Receiving, or Failing to Report a Contribution...in
9 Violation of the Federal Election Campaign Act...") and that "the value of the illegal
10 transactions" referenced in section 2C1.8(b)(1) is less than \$30,000.

11 d. Restitution. In light of the provisions of Section 5 (see below) of this plea
12 agreement, no order of restitution need be entered in this matter.

13 e. Acceptance of Responsibility. If the defendant makes full and complete disclo-
14 sure to the U.S. Probation Office of the circumstances surrounding the defendant's commission
15 of the offense, and if the defendant demonstrates an acceptance of responsibility for this offense
16 up to and including the time of sentencing, the United States will recommend a two-level
17 reduction in the applicable Sentencing Guidelines offense level pursuant to U.S.S.G. § 3E1.1(a).
18 If the defendant has an offense level of 16 or more, the United States will recommend an
19 additional one-level reduction in the applicable Sentencing Guidelines offense level pursuant to
20 U.S.S.G. § 3E1.1(b).

21 **5. AGREEMENT TO COOPERATE WITH THE INTERNAL REVENUE SERVICE**

22 a. The defendant acknowledges her obligation to report and pay tax on all income she
23 received from the Arizona Sports Foundation dba The Fiesta Bowl, and any of its affiliated
24 entities (collectively, "the organization"), including income reflected in any and all amended W-2
25 forms issued by the organization to her, as legally appropriate. Nothing contained herein
26 requires defendant to agree with the income stated on amended W-2 forms issued by the Fiesta
27 Bowl organization.

1 b. The defendant will cooperate with the Internal Revenue Service in determining the
2 appropriate amount of any tax to be imposed on her individually as a result of any excess benefit
3 transactions, political contributions, or disqualifying lobbying expenses.

4 c. Nothing in this agreement shall be construed in a way that would prevent the
5 defendant from claiming any additional deductions or credits for the tax years at issue, and the
6 defendant shall retain the right to assert any and all defenses in any civil tax audit, controversy,
7 appeal or litigation.

8 **6. BREACH OF THE AGREEMENT**

9 a. If the defendant fails to comply with any of the defendant's obligations or promises
10 set forth in the Plea Agreement, the United States may:

11 i. in its sole and absolute discretion, declare any provision of the Plea
12 Agreement null and void, without giving the defendant any right or option to withdraw from the
13 Plea Agreement or the plea of guilty;

14 ii. recommend any sentence, up to and including the statutory maximum
15 sentence;

16 iii. prosecute the defendant, or reinstitute prosecution of the defendant, for any
17 and all crimes committed by the defendant, notwithstanding the Statute of Limitations, the
18 Speedy Trial Act, and any constitutional restrictions in bringing later proceedings;

19 iv. use in any manner, and in any proceeding, any evidence provided by the
20 defendant before or after execution of this Plea Agreement; and

21 v. advise the Bureau of Prisons that the defendant is no longer a cooperating
22 witness, and recommend redesignation of the defendant to a higher custodial level.

23 b. If there is a dispute regarding the obligations of the parties under this agreement,
24 the United States District Court shall determine whether the United States or the defendant has
25 failed to comply with this agreement including whether the defendant has been truthful.

26 **7. AGREEMENT TO DISMISS OR NOT TO PROSECUTE**

27 a. Pursuant to Fed. R. Crim. P. 11(c)(1)(A), the United States shall dismiss the
28 following charges at sentencing: Counts 2-9.

b. This Office shall not prosecute the defendant for any offenses committed by the defendant, and known by the United States, in connection with matters addressed in the Special Committee Report or the discovery produced by the United States.

c. This agreement does not, in any manner, restrict the actions of the United States in any other district or bind any other United States Attorney's Office. The United States Attorney for the District of Arizona is unaware of any other investigations or contemplated investigations or prosecutions by any other district or division of the United States Department of Justice.

8. COURT APPROVAL REQUIRED; REINSTITUTION OF PROSECUTION

a. If the Court, after reviewing this plea agreement, concludes that any provision contained herein is inappropriate, it may reject the plea agreement and give the defendant the opportunity to withdraw the guilty plea in accordance with Fed. R. Crim. P. 11(c)(5).

b. If the defendant's guilty plea or plea agreement is rejected, withdrawn, vacated, or reversed at any time, this agreement shall be null and void, the United States shall be free to prosecute the defendant for all crimes of which it then has knowledge and any charges that have been dismissed because of this plea agreement shall automatically be reinstated. In such event, the defendant waives any and all objections, motions, and defenses based upon the Statute of Limitations, the Speedy Trial Act, or constitutional restrictions in bringing later charges or proceedings. The defendant understands that any statements made at the time of the defendant's change of plea or sentencing may be used against the defendant in any subsequent hearing, trial, or proceeding subject to the limitations of Fed. R. Evid. 410.

9. WAIVER OF DEFENSES AND APPEAL RIGHTS

Providing the defendant's sentence is consistent with this agreement, the defendant waives (1) any and all motions, defenses, probable cause determinations, and objections that the defendant could assert to the indictment or information; and (2) any right to file an appeal, any collateral attack, and any other writ or motion that challenges the conviction, an order of restitution or forfeiture, the entry of judgment against the defendant, or any aspect of the defendant's sentence, including the manner in which the sentence is determined, including but

1 not limited to any appeals under 18 U.S.C. § 3742 and motions under 28 U.S.C. §§ 2241 and
2 2255. The defendant acknowledges that if the Court has sentenced the defendant according to
3 the terms of this agreement, this waiver shall result in the dismissal of any appeal, collateral
4 attack, or other motion the defendant might file challenging the conviction, order of restitution
5 or forfeiture, or sentence in this case.

6 **10. DISCLOSURE OF INFORMATION**

7 a. The United States retains the unrestricted right to provide information and make
8 any and all statements it deems appropriate to the U.S. Probation Office and to the Court in
9 connection with the case.

10 b. Any information, statements, documents, and evidence that the defendant provides
11 to the United States pursuant to this agreement may be used against the defendant at any time.

12 c. The defendant shall cooperate fully with the U.S. Probation Office. Such
13 cooperation shall include providing complete and truthful responses to questions posed by the
14 U.S. Probation Office including, but not limited to, questions relating to:

15 i. criminal convictions, history of drug abuse, and mental illness; and

16 ii. financial information, including present financial assets or liabilities that
17 relate to the ability of the defendant to pay a fine or restitution.

18 **11. FORFEITURE, CIVIL, AND ADMINISTRATIVE PROCEEDINGS**

19 a. Nothing in this agreement shall be construed to protect the defendant from
20 administrative or civil forfeiture proceedings or prohibit the United States from proceeding with
21 and/or initiating an action for civil forfeiture. Pursuant to 18 U.S.C. § 3613, all monetary
22 penalties, including restitution imposed by the Court, shall be due immediately upon judgment
23 and subject to immediate enforcement by the United States. If the Court imposes a schedule of
24 payments, the schedule of payments shall be merely a schedule of minimum payments and shall
25 not be a limitation on the methods available to the United States to enforce the judgment.

26 b. Nothing in this agreement shall be construed to satisfy, settle, or compromise any
27 civil tax liability, including additions to tax, interest and penalties, that the defendant may owe
28 to the IRS as to her federal income tax returns.

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4 **12. ELEMENTS**

5 a. The defendant understands that if the case were to proceed to trial, the government
6 would be required to prove the following elements beyond a reasonable doubt before the
7 defendant could be found guilty of the offense to which the defendant is pleading guilty:

8 **Conspiracy**

9 First, there was an agreement between two or more persons to commit the offense
10 of Making Campaign Contributions in the Name of Another, Making False Statements or
11 Defrauding the United States;

12 Second, the defendant was a member of the conspiracy, knowing of its object and
13 intending to help accomplish it;

14 Third, one of the members of the conspiracy performed at least one overt act for
15 the purpose of carrying out the conspiracy

16 Additionally, the government must prove by a preponderance of the evidence that
17 defendant's conduct occurred, in whole or in part, in the District of Arizona.

18 b. The defendant further understands that the following are the elements of the crimes
19 which defendant conspired to commit:

20 **Making Campaign Contributions in the Name of Another**

21 First, a person or persons made contributions to federal political campaigns in the
22 names of others, that is, a person or persons solicited others to donate to federal political
23 campaigns, and subsequently reimbursed the individual contributors;

24 Second, the contributions exceeded \$10,000 in at least one calendar year; and

25 Third, the defendant acted knowingly and willfully.

26 **False Statements**

27 First, a person or persons made a false statement, to wit, a campaign contribution
28 check purporting to come from the person's own funds;

1 Second, a person or persons willfully provided the check to a political campaign,

2 knowing that it falsely represented that the contribution came from the person's own funds;

3 Third, the false statement was made in a matter within the jurisdiction of a federal
4 executive branch agency, to wit: the Federal Election Commission; and

5 Fourth, the statement was material, that is, it had the capacity to influence an
6 agency's actions..

7 **Defrauding the United States**

8 First, a person or persons defrauded the United States by impairing, impeding,
9 obstructing and defeating the lawful functions and duties of the Internal Revenue Service, to wit:
10 falsely signing tax-exempt organization Forms 990; and

11 Second, a person or persons acted through deceitful and dishonest means.

12 **13. FACTUAL BASIS**

13 The defendant admits that the following facts are true and that if this matter were to
14 proceed to trial the United States could prove the following facts beyond a reasonable doubt:

15 I was employed by the Fiesta Bowl organization from on or around 1989 through on or
16 around March 2011. I was originally hired as an accounting clerk in 1989, and gradually gained
17 more responsibility within the organization. I served as Vice President of Finance for several
18 years prior to 2006, and in 2006 I became Chief Operating Officer. In that capacity I was the
19 second-in-command of the organization. Through my direct reports I oversaw payroll and a
20 separate, manual checkbook in which I authorized and signed discretionary payments, including
21 reimbursements for political contributions. Officer A was aware of all reimbursements. I also
22 signed the federal Form 990 tax forms for the organizations for the 2004, 2007 and 2008 tax
23 years.

24 From 2006 through early 2010, I was directly supervised at the Fiesta Bowl by Officer
25 A, the long-time Chief Executive Officer. I also interacted at times with lobbyist C for the Fiesta
26 Bowl. As I told the Fiesta Bowl's Special Committee investigators, Lobbyist C told me and
27 Officer A that we were paying for access to the "9th Floor," which I interpreted as access to the
28

1 Governor's Office. I often signed checks at the direction of Officer A that were made payable
2 to lobbyists.

3 I also knew the Fiesta Bowl was reimbursing political contributions. I did not choose the
4 candidates or make the decisions to solicit employees to write checks. Those decisions were
5 made by Officer A and Lobbyist C, and I solicited employees to write checks at their direction.
6 As I told the Special Committee investigators, Officer A instructed me to use bonuses to
7 reimburse employees. I made contributions myself, knowing that I would be reimbursed, and
8 I assisted in the reimbursing of employees for their contributions, through various means,
9 including bonuses and miscellaneous pay. At one point in the fall of 2006 I also authorized a
10 \$15,000 payment to another Fiesta Bowl employee with the understanding that he would
11 reimburse employees in cash.

12 I and other Fiesta Bowl employees made contributions to federal and state campaigns at
13 the direction of Officer A and Lobbyist C, and I reimbursed myself and the other employees for
14 various contributions solicited by Officer A and Lobbyist C. From approximately 2006 through
15 2009, I reimbursed approximately \$25,000 in contributions made to federal political campaigns,
16 including over \$10,000 in contributions to a federal campaign that were made in the 2006 tax
17 year and reimbursed in the 2007 tax year, and another \$3,000 in contributions that were made
18 in the 2007 tax year and reimbursed in the 2008 tax year. I also arranged for reimbursements
19 for contributions to state and local political campaigns, including over \$3,000 for contributions
20 made to a state representative's campaign in the 2007 tax year and over \$3,000 for contributions
21 made to local mayoral campaigns in the 2008 tax year. I knew that the representations that the
22 checks were coming from individual funds were false, and I knew that the Fiesta Bowl was the
23 true contributor to the campaigns. I now know that this false information was provided in
24 campaign finance reports to the Federal Election Commission.

25 I was also concerned about the non-profit status of the Fiesta Bowl organization. I was
26 aware that the Federal Tax Form 990 for tax years 2007 and 2008 tax returns probably inquired
27 whether the Fiesta Bowl was making political campaign contributions. The Fiesta Bowl's
28 controller prepared the 990 forms for both years and during preparation of the 2008 return, she

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1 came to me and asked perhaps 15 questions concerning the return. I do not recall being
2 specifically asked how to respond to the Form 990 inquiry concerning political campaign
3 contributions, but I now know that the controller is prepared to testify that she made specific
4 inquiry of me and that I responded that the question should be answered "no." The Form 990
5 was prepared and falsely reported that the organization made no direct or indirect political
6 expenditures. I signed the returns for the 2007 and 2008 tax year knowing that the Fiesta Bowl
7 had in fact directly engaged in political expenditures by soliciting and reimbursing employees
8 for their contributions to federal, state and local campaigns.

9 The above described conspiracy began at least as early as September 2003 and continued
10 through on or about October, 2010 within the District of Arizona.

11
12 The defendant shall swear under oath to the accuracy of this statement and, if the
13 defendant should be called upon to testify about this matter in the future, any intentional material
14 inconsistencies in the defendant's testimony may subject the defendant to additional penalties
15 for perjury or false swearing, which may be enforced by the United States under this agreement.

16 **APPROVAL AND ACCEPTANCE OF THE DEFENDANT**

17 I have read the entire plea agreement with the assistance of my attorney. I understand each
18 of its provisions and I voluntarily agree to it.

19 I have discussed the case and my constitutional and other rights with my attorney. I
20 understand that by entering my plea of guilty I shall waive my rights to plead not guilty, to trial
21 by jury, to confront, cross-examine, and compel the attendance of witnesses, to present evidence
22 in my defense, to remain silent and refuse to be a witness against myself by asserting my
23 privilege against self-incrimination, all with the assistance of counsel, and to be presumed
24 innocent until proven guilty beyond a reasonable doubt.

25 I agree to enter my guilty plea as indicated above on the terms and conditions set forth
26 in this agreement.

27 I have been advised by my attorney of the nature of the charges to which I am entering
28 my guilty plea. I have further been advised by my attorney of the nature and range of the

1 possible sentence and that my ultimate sentence shall be determined by the Court after
2 consideration of the advisory Sentencing Guidelines.

3 My guilty plea is not the result of force, threats, assurances, or promises, other than the
4 promises contained in this agreement. I voluntarily agree to the provisions of this agreement and
5 I agree to be bound according to its provisions.

6 I understand that if I am granted probation or placed on supervised release by the Court,
7 the terms and conditions of such probation/supervised release are subject to modification at any
8 time. I further understand that if I violate any of the conditions of my probation/supervised
9 release, my probation/supervised release may be revoked and upon such revocation,
10 notwithstanding any other provision of this agreement, I may be required to serve a term of
11 imprisonment or my sentence otherwise may be altered.

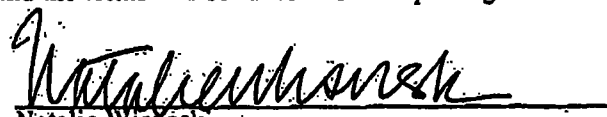
12 This written plea agreement, and any written addenda filed as attachments to this plea
13 agreement, contain all the terms and conditions of the plea. Any additional agreements, if any
14 such agreements exist, shall be recorded in a separate document and may be filed with the Court
15 under seal; accordingly, additional agreements, if any, may not be in the public record.

16 I further agree that promises, including any predictions as to the Sentencing Guideline
17 range or to any Sentencing Guideline factors that will apply, made by anyone (including my
18 attorney) that are not contained within this written plea agreement, are null and void and have
19 no force and effect.

20 I am satisfied that my defense attorney has represented me in a competent manner.

21 I fully understand the terms and conditions of this plea agreement. I am not now using
22 or under the influence of any drug, medication, liquor, or other intoxicant or depressant that
23 would impair my ability to fully understand the terms and conditions of this plea agreement.

24
25 3/14/12
26 Date

27
28 
Natalie Wisneski
Defendant

APPROVAL OF DEFENSE COUNSEL

I have discussed this case and the plea agreement with my client in detail and have advised the defendant of all matters within the scope of Fed. R. Crim. P. 11, the constitutional and other rights of an accused, the factual basis for and the nature of the offense to which the guilty plea will be entered, possible defenses, and the consequences of the guilty plea including the maximum statutory sentence possible. I have further discussed the concept of the advisory Sentencing Guidelines with the defendant. No assurances, promises, or representations have been given to me or to the defendant by the United States or any of its representatives that are not contained in this written agreement. I concur in the entry of the plea as indicated above and that the terms and conditions set forth in this agreement are in the best interests of my client. I agree to make a bona fide effort to ensure that the guilty plea is entered in accordance with all the requirements of Fed. R. Crim. P. 11.

Date

March 14, 2012

James J. Burke
Attorney for Defendant

APPROVAL OF THE UNITED STATES

I have reviewed this matter and the plea agreement. I agree on behalf of the United States that the terms and conditions set forth herein are appropriate and are in the best interests of justice.

ANN BIRMINGHAM SCHEEL
Acting United States Attorney
District of Arizona

Date

03/15/12

Gary M. Restaino
Chief, Criminal Division
Frank T. Galati
Assistant U.S. Attorney

ACCEPTANCE BY THE COURT

Date

Hon. James A. Teilborg
United States District Judge